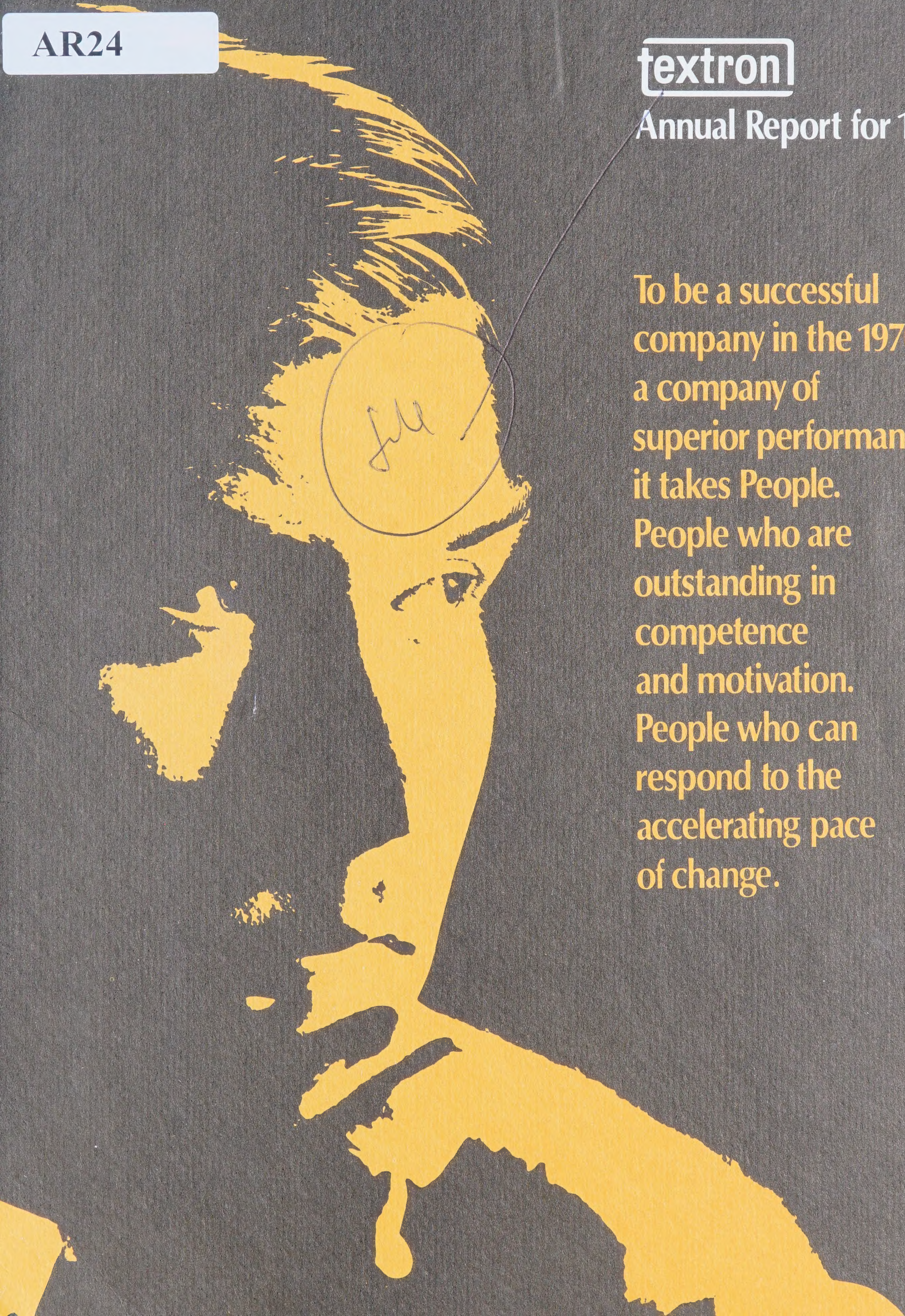
AR24

textron

Annual Report for 1969



To be a successful
company in the 1970's -
a company of
superior performance -
it takes People.
People who are
outstanding in
competence
and motivation.
People who can
respond to the
accelerating pace
of change.

textron Providence, Rhode Island

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Rupert Thompson Retires

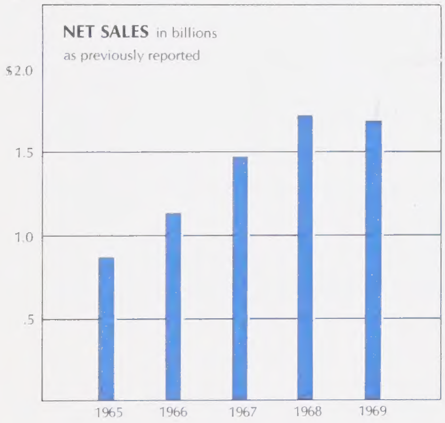
At the end of 1969 Rupert C. Thompson, Jr. retired as Textron Chairman, continuing as a Director and member of the Executive Committee. Mr. Thompson for fourteen years was one of the principal architects in the development of the new multimarket Textron. From June 1960 to January 1968, a period during which the company achieved remarkable growth in sales and profits, Mr. Thompson was Chairman and Chief Executive Officer.

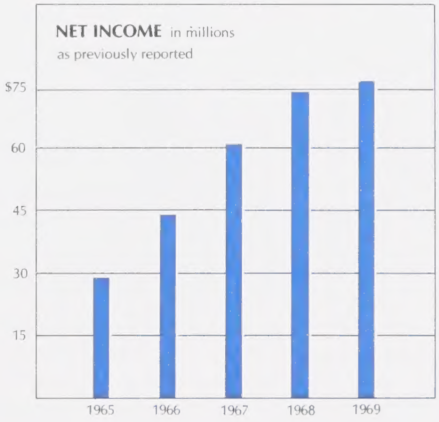
Highlights

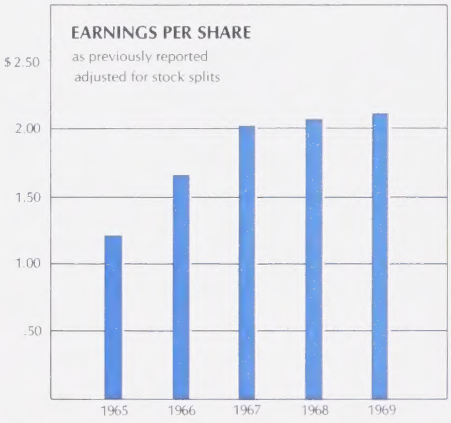
		1968	
	1969	As Previously Reported	Restated for Poolings of Interests
Sales	$1,682,171,000	$1,704,097,000	$1,725,214,000
Pretax Income	151,672,000	152,900,000	156,962,000
Net Income	76,122,000	73,999,000	75,989,000
Earnings Per Share*	$2.14	$2.10	$2.11

Per share results are computed on the basis of full conversion of all preferred stock and exercise of warrants and stock options.

Employees 70,000 / Plants 175 / Securityholders 87,000.







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Cover Statement Note: *Further development of people is Textron's No. 1 priority for the seventies.*

• Review of The Year

Textron's net income and earnings per share increased in 1969, on slightly lower sales. The table on the preceding page presents the 1969 results in capsule form.

These results were achieved in a year in which Textron withstood a number of unfavorable factors which narrowed profit gains: rising costs, higher interest charges, softness or downturns in many business sectors. In addition, there were strikes at several large Divisions.

Offsetting the negative influences were excellent performances by a number of Textron Divisions and continuing success with company-wide cost reduction and profit improvement programs.

Multimarket Balance Valuable

So it was a year in which Textron's multimarket balance again proved its value. With the production of helicopters for the military declining, as had been expected, and other Divisions in the Aerospace Group experiencing the effects of a cutback in defense orders, this Group recorded lower sales. Yet Aerospace Group profits were above the 1968 level.

Textron Growth in the Sixties

The year 1969 ended a decade of remarkable growth for Textron. Over the ten year span, Textron sales increased fourfold, and pretax earnings ninefold. Earnings per share tripled and dividends on common stock more than doubled.

	1960*	1969
Sales	$383,188,000	$1,682,171,000
Pretax Income	16,856,000	151,672,000
Net Income	14,168,000	76,122,000
Earnings Per Share	.60	2.14
Dividends Per Common Share	.31	.85
Total Assets	271,829,000	895,124,000
Shareholders' Equity	119,175,000	485,258,000

**1960 results are as reported in that year's annual report to shareholders, except that earnings and dividends per share have been adjusted for stock splits. Earnings per share for both periods are based on average shares outstanding, assuming full conversion of preferred stock and exercise of warrants and stock options.*

The Industrial Group experienced a year of difficulty, with a general softness in industrial orders. This was partially offset by good performances of the Consumer and Metal Product Groups.

A Year of Preparation

The year was one of transition, of building from the priorities of the Sixties toward a new set of priorities to prepare for the environment of the Seventies.

The past ten years have been devoted to proving the Textron multimarket concept. During this period of great growth there has been concentration on refining existing operations, increasing the emphasis on research and development of new products, and supplementing internal growth by selected acquisition of high quality companies.

Textron now is well prepared to face the demands of continuing change and the new external conditions of the coming decade. Priorities are being adapted to meet the new challenges.

New Priorities Under Way

New directions for the Seventies already are being implemented, all aimed at perfecting and expanding the Textron concept — further development of Textron's people, increased rate of growth from within, and extending the Textron philosophy to other areas. Plans for the Seventies are described in more detail later in this report.

Although the order of priorities for the Seventies is different, Textron's basic objective remains unchanged: to manage the corporation's total resources so as to achieve superior profits for shareholders on a continuing basis.

At the present time it is difficult for any corporation to predict operating results for 1970. Given a national level of business similar to that of 1969, however, Textron should continue to show a growth in profits and earnings per share.

Seventies' Potential Is Exciting

Whatever the short term outlook, the potential for the Seventies is tremendous. Once inflation is brought under control, the record level of family formations and the increasing backlog of current and deferred needs in such areas as housing, consumer goods, education, health and medical care, transportation, pollution control, waste disposal and recreation—in many of which Textron has a stake—will provide a platform for strong and continuing growth.

Textron enters the new decade confident that it will achieve its goal of superior growth and profits.

Scenes of Textron's first advanced management course held last fall at Exeter, New Hampshire.

• Textron Priorities for the Seventies

No. 1—People Development

There is nothing more essential to Textron's future than the quality of its people. Superior performance requires superior people and superior motivation. Textron must retain and develop the talented individuals who have built the company, and attract able and highly-motivated young people who will carry on its growth.

So the first priority for the Seventies is to assure the continuing availability, at all levels, of employees with outstanding competence, creativity, dedication and character. The general Textron concept which, to a great extent, permits each Division to chart its own course, is a spur to creativity and drive. Of additional value are the expanding programs of personnel development at many levels, a number of which are pictured on Page 24.

Two Specific Programs

One of the essentials for any program of overall people development is the selection and preparation of those who will, in turn, act as motivators for others down the line. Thus Textron has given a top priority to the development of present and future management personnel. Two specific programs are being stressed:

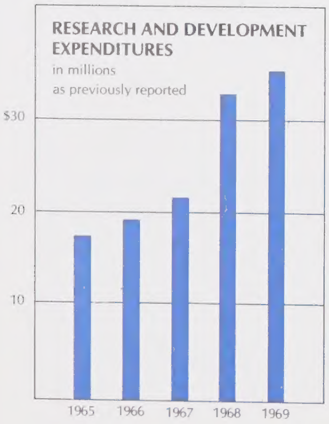
Executive Evaluation—To assist in making management opportunities available throughout Textron, a corporate-wide

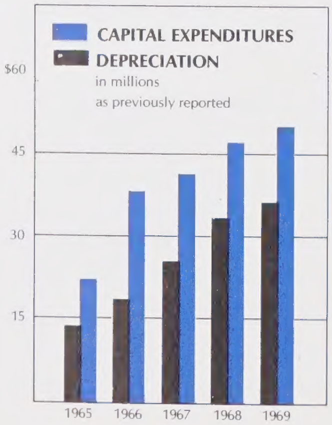
People Development (Continued)

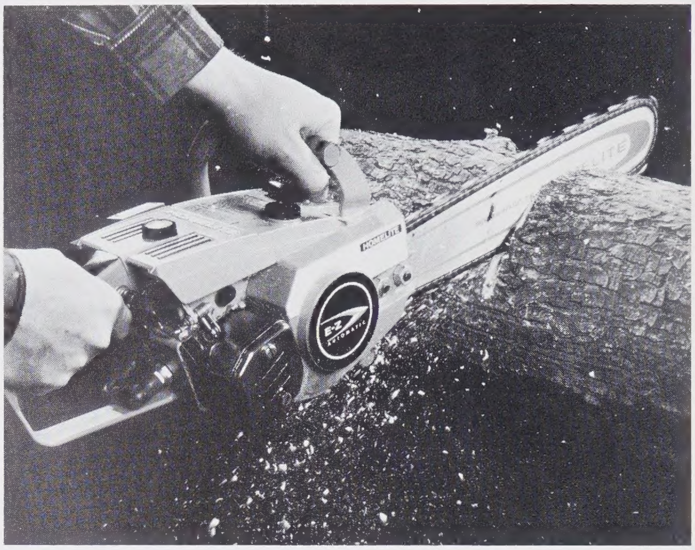
inventory of managerial talent is utilized. This confidential executive personnel survey is a comprehensive, continuing record of present management resources and potential. It provides the basis for further development through formal training and suggestions for self improvement action.

The executive evaluation program is helping corporate and divisional management better to identify most promising personnel and to plan their preparation for progress within the Division, in other Textron companies or in the corporate organization. Expanded opportunities continue to be a key in attracting and retaining top talent.

Advanced Management Program — To provide a formal means for selected executives to broaden their scope and experience, stimulate personal growth and further the Textron management philosophy. The first two-week Textron advanced management course was held in Exeter, New Hampshire in September, with attendance from 26 divisions and corporate headquarters. The next course will take place in March near Plymouth, Mass., and others will be scheduled for the future. The faculty consists principally of professors from the Harvard Business School, with assistance from Textron corporate executives. The concentrated curriculum includes business strategy formulation and implementation, managerial finance and control, organizational structure, labor relations, antitrust compliance, management use of computers, decision theory analysis and industrial marketing strategy. The program provides executives with opportunity for self-development in an environment especially created for that purpose and for interchange of ideas and experience across divisional lines.







An example of outstanding research and development effort is Homelite's latest super-lightweight saw—the powerful E-Z model, which weighs only eight and a half pounds.

No. 2—Internal Growth

The real measure of success of companies in the Seventies will be the ability to generate internal profit growth. This requires a better use of technology, a continuing flow of new products, highly-efficient production facilities, and refinements in planning, cost controls and marketing. Textron efforts in these areas in recent years have produced a strong basis for continuing internal growth during the next decade. Products which will come on-stream in the Seventies in many cases are the results of the substantial development expenditures of the last years of the Sixties. The facilities in which they will be produced have been brought into a higher state of efficiency by the capital expenditures of recent years.

For many years, Textron has expended an amount equal to approximately 20 percent of pretax profits on company-financed research and development. In 1969, expenditures for this purpose totaled approximately $35 million. Over the last five years, $126 million has been spent on R & D. Because of this consistent development effort, approximately one fifth of sales in 1969 was from products not manufactured five years ago.

Facilities Modernized

Textron has endeavored to provide efficient, low cost production facilities by new construction, upgrading and modernization. For many years capital expenditures have run well ahead of depreciation, totaling approximately $198 million over five years compared with depreciation of $127 million. In 1969, capital expenditures were $49 million compared to depreciation of $36 million.

Product development and efficient manufacturing operations must be coupled with creative marketing. There has been a continuing effort to develop new sales areas and new techniques for capitalizing upon them, including aggressive advertising programs in a wide variety of media.

Performance Improvement Program

Greater operating success also depends upon strengthened planning and refinement, in asset management as well as in expense and cost controls. The effectiveness of such efforts is reflected in Textron's continued improvement in earnings per share despite substantial increases in costs of labor and materials. The company-wide Performance Improvement Program has proven its effectiveness in producing an organized effort to lower costs and improve quality. Through both individual and team efforts at the division level, productivity has been increased and material and process costs held in check. More than 2,000 active projects are now being pursued through this program.

During the year staffing was completed for the new Group Controller function. Five group controllers, working in cooperation with group vice-presidents, provide strong financial liaison between the corporate office and divisional management, and help to bring operating improvements through their assistance in financial planning and analysis and in cost and budget systems and controls.

In addition, there have been further extensions in the use of electronic data processing at the Division level, for better manufacturing control and for solution of complex engineering problems.

Supplementing Growth From Within

To supplement internal growth and refinement, Textron will continue to consider acquisitions on a highly selective basis, aimed primarily at logical, related extensions where divisional management is prepared to assume additional responsibility.

No. 3—Extending the Textron Concept

In the past, it has been Textron policy to concentrate efforts on domestic manufacturing businesses. With the maturity of the company and its proven record, a broader charter now may be considered. This expansion of the Textron concept may be in two directions:

New geographical areas. Because of domestic priorities, Textron has not sought to expand abroad directly, although a number of its Divisions have successful and growing operations overseas. It now is proposed to extend the Textron concept internationally, following the pattern successfully used in developing the new Textron in the United States.

First consideration will be given to establishing a Textron product group in Europe through acquisition of moderate-sized, existing companies. Other areas will be appraised at a later date.

The vehicle for European expansion will be Textron Atlantic, a wholly-owned subsidiary formed in the fall of 1969, and already well-received among the European community. As part of the preparation for Textron to play a constructive role in the European economy, the text of this report is being printed in three additional languages — French, German and Italian — for distribution to members of the European business and investment community.

As an initial step toward implementing these intentions, Textron's Board of Directors in January 1970 authorized Textron Atlantic to borrow up to $25,000,000 in European currencies or Eurodollars. To date, however, no firm agreements or commitments have been made for such financing or for the acquisition of foreign companies.

New fields of endeavor. Textron will consider the long range opportunities to apply its concept and techniques in non-manufacturing growth areas. No particular field has been selected and any extension will be approached cautiously.

P. Plantenga (right) a managing director of the Amsterdam-Rotterdam Bank, N. V., confers at Textron headquarters with G. William Miller, Textron president, on financing of European acquisitions.

Building Financial Strength for the Seventies

Quality and Consistency of Earnings

Textron over the years has developed a conservatism and consistency in its financial and accounting policies which enhance the quality of its earnings.

A look behind the figures will show that in many cases Textron's realistic financial policies have resulted in reporting lower earnings than might have been possible under the more liberal, but still accepted, methods used by a number of other companies. Examples of some of these policies are:

Accounting for Investment Tax Credit. Textron's policy is to defer the investment tax credit and amortize it over the productive life of the related asset, rather than to take the entire amount of the tax credit into income each year.

Inventory Valuation. In many Divisions Textron values inventories on a last-in, first-out basis, rather than the first-in, first-out method. With rising costs, this results in lower reported income, but it also reduces income taxes and states inventories conservatively, at less than replacement cost.

Depreciation. Textron uses accelerated depreciation as permitted in computing income taxes, rather than a straight line basis. The result is to reduce earnings, and also to state fixed assets at a more conservative value.

Amortization of Goodwill. In the course of Textron's acquisition program, goodwill has been involved in some acquisitions. This is being written off by charges to income, even though in most cases it is considered acceptable accounting to carry purchased goodwill on the balance sheet without amortization.

Expensing Research and Development. Textron has consistently followed several other conservative accounting practices, including the charging of research and development and tooling costs to current operations.

$50 Million, Five Year Notes

In mid-February 1970, Textron sold to the public $50 million of 8.60 percent notes due February 15, 1975. Merrill Lynch, Pierce, Fenner & Smith headed a nationwide group of underwriters which offered the notes. The proceeds of the issue have been added to the general funds of the company.

Dividend Increased Eighth Time in Seven Years

Textron directors raised the quarterly dividend paid last October to common shareholders to 22½ cents a share—an annual rate of 90 cents. The dividend increase was Textron's eighth in seven years.

Cash Flow

Internally-generated funds of Textron in 1969 totalled $112 million. This compared with $107 million in 1968.

Employees Stock Savings Plan

During the past ten years, the Textron Employees Stock Savings Plan has provided incentives for eligible employees to participate in the company's progress. Up to 10 percent of base salary may be contributed for purchase of Textron common stock in the open market, with Textron adding an amount equal to one half of the employee's contribution. At the end of 1969, the plan held 2,235,312 shares for the accounts of participating employees, equal to 8.2 percent of outstanding Textron common stock.

At present, more than 16,500 employees are saving at a rate of $11.9 million per year, which, with Textron's contribution and dividends, results in an investment under the Plan at an annual rate of $19.4 million.

Stock Option Plan

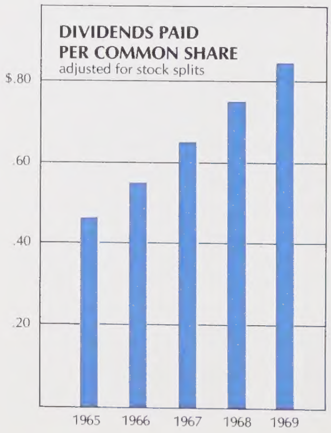
Textron shareholders at the annual meeting last spring approved a stock option plan as a further means of retaining and attracting key individuals of outstanding competence for its corporate and divisional managements. The total number of common shares for which options may be granted under the plan is 1,000,000.

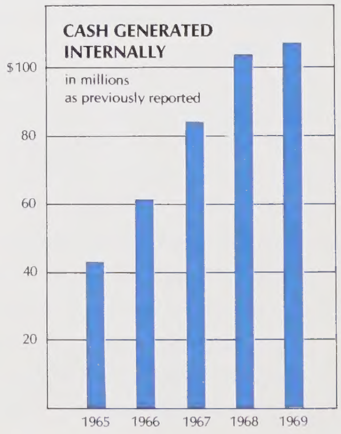
As of the end of 1969, Textron's board of directors had granted stock options to 233 employees for a total of 266,400 shares as described in more detail in Notes to Financial Statements.

International Operations

Textron's international operations during 1969 showed a general increase in volume. Foreign sales by export or manufacture rose 31 percent, from $117 million to $153 million.

Income from licensing also showed a sharp rise, of 45 percent, from $2.9 million to $4.2 million. The increase was due mainly to expansion in worldwide sales of Bell Helicopter rotary wing models and Bridgeport milling machines.





Sales and Income by Product Group

Textron this year once again is reporting both sales and earnings by product groups, in order to provide individual investors and the financial community with more detailed information on the company. In addition, charts which accompany the text on each group give five-year pictures of sales and earnings, on an historical basis.

Earnings Per Share by Product Group

	1969	1968*
Consumer	$ .87	$ .78
Aerospace	.47	.44
Metal Product	.42	.38
Industrial	.38	.50
Total	$2.14	$2.10

*As previously reported

Sales and Pretax Income by Product Group

(In Thousands of Dollars)

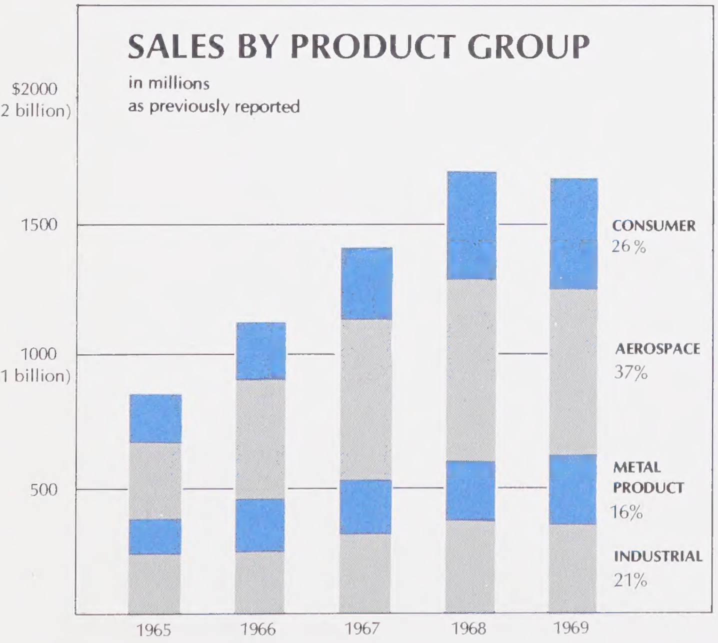
Sales

	1969		1968*	
Consumer	$436,637	(26%)	$414,088	(24%)
Aerospace	629,829	(37%)	692,107	(41%)
Metal Product	264,546	(16%)	246,586	(14%)
Industrial	351,159	(21%)	351,316	(21%)
Total	$1,682,171	(100%)	$1,704,097	(100%)

*As previously reported

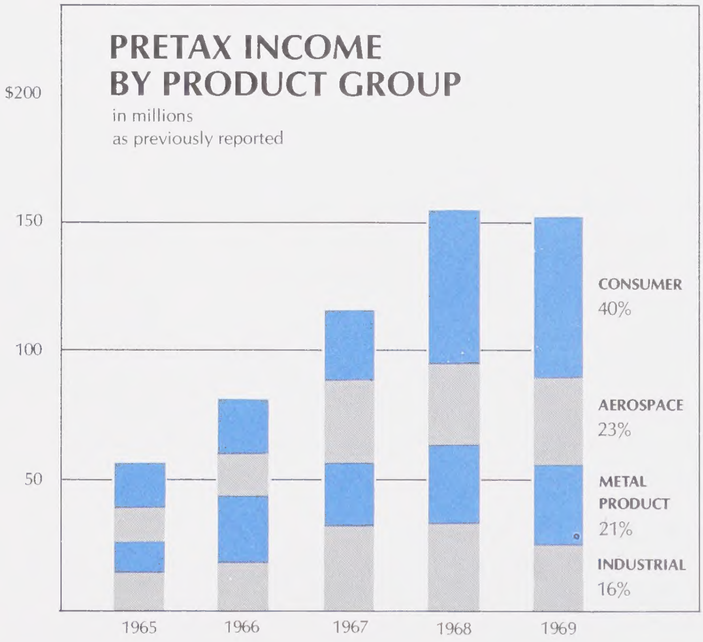
Pretax Income

	1969		1968*	
Consumer	$60,734	(40%)	$55,955	(37%)
Aerospace	34,414	(23%)	32,320	(21%)
Metal Product	31,588	(21%)	29,178	(19%)
Industrial	24,936	(16%)	35,447	(23%)
Total	$151,672	(100%)	$152,900	(100%)



SALES BY PRODUCT GROUP

in millions
as previously reported



PRETAX INCOME BY PRODUCT GROUP

in millions
as previously reported

CONSUMER PRODUCT GROUP

- DONAHUE SALES
- EATON PAPER
- GORHAM
- HOMELITE
- PATTERSON-SARGENT
- POLARIS SNOWMOBILE
- SHEAFFER PEN
- SHURON/CONTINENTAL
- SPEIDEL
- TALON

Consumer

The Consumer Group in 1969 again increased its share of Textron sales and earnings. The Group contributed 40 percent of total earnings and 26 percent of sales. It was the largest group contribution to profits.

One reason for the strong showing, in a year when cautiousness in consumer spending began to show itself nationally, was the outstanding performance of Homelite. The new, lightweight E-Z chain saw was a particular success, carrying further the development of the occasional user market pioneered by Homelite several years ago. In addition, sales of Homelite pumps, generators and other construction equipment increased substantially. The E-Z-Go unit of Homelite increased its volume of golf car sales.

Shuron/Continental Has Good Year

Today's emphasis on eye care and desire for more precise vision joined with the introduction of a new line of eyeglass frames to spark Shuron/Continental to the largest sales and earnings increase in its history. Shuron/Continental is building an additional 300,000 square foot plant in Florida to keep up with demand.

Talon zipper sales increased in all categories with the exception of ladies' ready-to-wear, where fashion changes and imported garments reduced the domestic zipper demand. The 1970 trend in women's fashions is more favorable to the use of zippers. Talon is anticipating increased 1970 sales in established zipper product lines, with added impetus coming from new nylon zipper products.

Textron's Donahue Sales Division, which markets Talon zippers and other home sewing products through retail stores, benefited from the increasing popularity of home sewing. During the year Donahue introduced three new Talon products: Polyspun thread, lace seam binding, and the new Invisible Zephyr Nylon Zipper, which is being moved strongly into the marketplace.

Gorham Broadens Line

Despite the continued high price of silver, Gorham had another excellent year in 1969. Both the Silver and Bronze divisions did well. Major growth was in silverplated holloware, which, together with the addition of the Reizart line of fine crystal, moved Gorham further into a capability for a complete line of tabletop products. This will provide greater product and market response to the coming increase in family formations and long term trends in consumer affluence and quality consciousness.

Eaton Paper showed modest gains in a year which was not particularly favorable for the paper school supply and social stationery industry. The Eaton line was extended with the addition of Ellingsworth Duo-Tang paper folders.

Speidel's jewelry sales showed gains in 1969, led by the new Calendar Watchband. Metal Tattoo, a high fashion line in women's identification bracelets, had a successful introduction. Speidel broadened its British Sterling/Bitter Lemon men's toiletries line, although overall toiletries sales were behind the previous year.

Increased 1969 industrial and variety store paint sales volume gave Patterson-Sargent higher earnings.

Sheaffer Emphasizing Quality

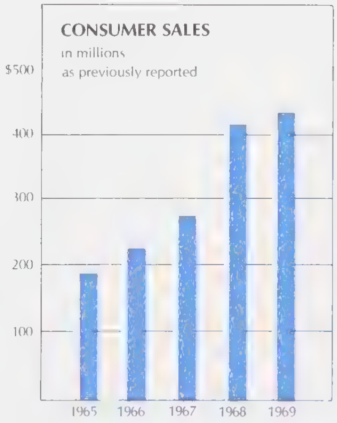
As part of a long term product program, Sheaffer in 1969 began a re-emphasis of its most famous style and quality leader—the White Dot pen and pencil sets—with good results. The Maico unit during the year introduced four new hearing aids and two special instruments.

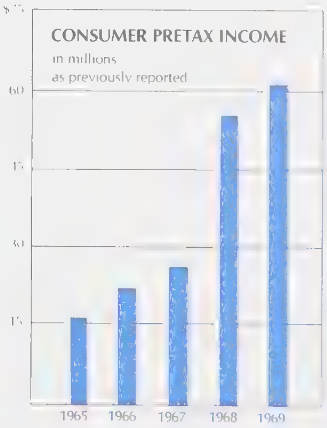
After several years of exceptional growth, the Polaris Division went through a year of consolidation to cope with expanding sales. The Polaris reputation for quality and durability has been reaffirmed through victories in the majority of this winter's major snowmobile races, including the first three places in the year's most important distance competition, the Winnipeg-St. Paul race.

Growth in the Seventies

In 1970 the Consumer Group should again show an increase in sales and earnings. New products introduced during 1969, additional production capacity, and the continuing participation in growth areas will be contributing factors.

For the decade of the Seventies, every Textron consumer company has great growth potential, fulfilling expanding needs for a growing population, record family formations and rising discretionary income. Apparel and home sewing, marriages and gift giving, recreation and leisure time, fine housewares and adornment, health care and education are all favorable indicators for the Consumer Group.





e famous Talon Zephyr nylon zipper
s revolutionized the apparel fastening market.

AEROSPACE PRODUCT GROUP

- ACCESSORY PRODUCTS
- BELL AEROSPACE
- BELL HELICOPTER
- DALMO VICTOR
- ELECTRONIC RESEARCH
- HYDRAULIC RESEARCH
- SPECTROLAB/HELIOTEK

Aerospace

The advantage of balance within the Aerospace Group was demonstrated in 1969. An anticipated downturn in helicopter volume and profits and a reduction in U. S. military and space expenditures were countered by improved performance at Dalmo Victor Division. Strikes at the two Bell companies were negative factors.

The Aerospace share of Textron pretax profits was 23 percent, and of Textron sales, 37 percent.

One of the most satisfying developments of the year was the participation of ten Textron Divisions—most of them Aerospace—in the Apollo 11 and Apollo 12 manned flights to the moon.

Bell Helicopter experienced a decline in military sales and profits, as expected. A programmed reduction in standard UH-1 "Huey" helicopter shipments to Vietnam had a corresponding effect on earnings. In addition, there were start-up expenses on a number of new production models, including Bell's Model 212, the first U.S. twin-engine, medium helicopter, which has been ordered for 1970 and 1971 delivery by the U.S. and Canadian armed forces.

During 1969, the Army took delivery of its new light observation helicopter, the Bell Kiowa, now operational in Vietnam and Germany. Army funding of the Kiowa now covers 1,200 units of an anticipated overall procurement of 2,200 for delivery through 1972. The HueyCobra weapons helicopter attracted increased interest among foreign governments. Early in 1970, the U.S. Army ordered 170 additional Cobras for production in 1971-72.

Commercial Helicopter Sales Increase

The reduction in military shipments was partially offset by the 22 percent increase in sales of Bell commercial helicopters. The 5-place, turbine-powered JetRanger strengthened its No. 1 position in world commercial sales. The 15-place, Model 205 had increased usage in worldwide, heavy duty assignments, such as oil exploration on the North Slope of Alaska.

Bell continues to have an important role in the development of vertical lift aircraft for the future. During 1969 the company received six government contracts for advanced prop-rotor technology programs.

The Bell Aerospace Division, which changed its name from Bell Aerosystems at the beginning of 1970, had several important development contracts move into the production phase. Among these was the advanced post-boost propulsion system for the Minuteman III ICBM. Bell's improved automatic aircraft landing system is being installed on eleven U. S. Navy aircraft carriers. Work is underway on Bell's government contract to build a 100-ton surface effect testcraft as the first step in a program to develop an air cushion ship capable of transoceanic travel at speeds up to 100 miles per hour.

Dalmo Victor Backlog Increases

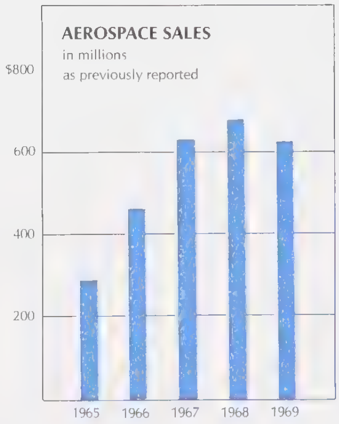
The year also saw completion of the transition of Dalmo Victor from a supplier of radar antennas to a leader in the field of highly-sophisticated electronic systems. The substantial Dalmo Victor electronic backlog provides a base for future development and production of advanced systems for U. S. aircraft. In the Dalmo Victor commercial products area, the SEARCH locomotive test equipment made by the Oregon Technical Products unit gained increasing acceptance in the railroad industry.

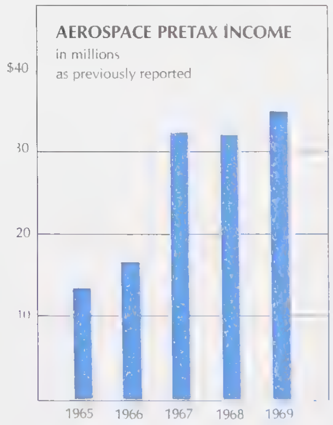
Another Division which has expanded its capabilities is Spectrolab/Heliotek, progressing from a component producer to a leading specialist in uses of solar energy. Two Divisions, Hydraulic Research and Manufacturing, and Accessory Products, are producing systems components for the principal aerospace manufacturers—HR & M in flight control equipment, electro-hydraulic servovalves and high performance filters, and Apco in fuel system units.

Outlook: 1970 and Beyond

The 1970 outlook for the Aerospace Group is for slightly lower sales, as the production rate of military helicopters continues to move off its peak of 1967 and as planned reduction in military spending continues to affect some other Divisions. An offsetting factor is the volume of commercial products which are beginning to flow from this Group. Profits for 1970 may be near the 1969 level.

During the Sixties, Bell Helicopter's sales and profits grew faster than those of any other Textron Division. Despite the current transition in military demand, the outlook for commercial helicopter sales during the decade of the Seventies is extremely promising. The helicopter offers the lowest overall cost, and in some cases the only practical means, for special transportation needs all over the world. The long term profit potential continues to be excellent.





The new Bell Model 212 twin-engine commercial helicopter flies high above Hoover Dam, Nevada.

METAL PRODUCT GROUP

BOSTITCH
BRIDGEPORT MACHINES
CAMCAR
PITTRON
TOWNSEND
TRUE-TRACE
WATERBURY FARREL

Metal Product

The value of Textron's concept of balance, carried down into the basic product areas themselves, was demonstrated during the year by the excellent performance of the Metal Product Group. In a year in which the machine tool industry generally did poorly, Textron's two Divisions in this field—because of a basic difference in product types—balanced off results. Among the Group's non-machine tool Divisions, some benefited from favorable industry trends; others had to combat down cycles. In share of total Textron results, Metal Product moved up to 21 percent in earnings and 16 percent in sales.

Bostitch Has Record Year

Bostitch during 1969 had record sales and earnings in the face of a continued slump in the construction industry. Bostitch pneumatic nailers and other high speed construction equipment showed a 20 percent sales increase as their use was expanded in the growing modular house and mobile home manufacture. Sales of container sealing machinery and furniture assembly equipment also increased, as did office and home stapling products. International sales of Bostitch continued to climb, with a 46 percent gain over 1968. During the year the Hall-Mack unit of Randall became associated with Bostitch. Hall-Mack produces quality bathroom accessories sold through channels similar to the distribution of Bostitch building specialty products.

With the completion of a 75,000 square foot addition, Bridgeport Machines reached an all-time high production level in milling machines. The enlarged capacity enabled Bridgeport to reduce its extremely long delivery time on present models, as well as to allow earlier production of new models.

Waterbury Farrel Backlog Up

Waterbury Farrel, although feeling the machine tool industry slowdown early in the year, began to counter this trend in the spring and ended 1969 with increased backlogs. Sparked by introduction of new high speed machines, total 1969 header orders were 40 percent over the previous high. There has been good industry response to the new Waterbury Farrel computer-controlled gauging equipment, which allows mills to roll steel and other metals to much closer tolerances. In rolling mills themselves, there was a pickup in new orders early in 1970.

With excellent demand for its new TNC line, the Jones & Lamson unit of Waterbury Farrel in 1969 continued as a leader in manufacture of numerically-controlled turret lathes. Its line of optical comparators was broadened.

Emphasis on High Technology Fastener Systems

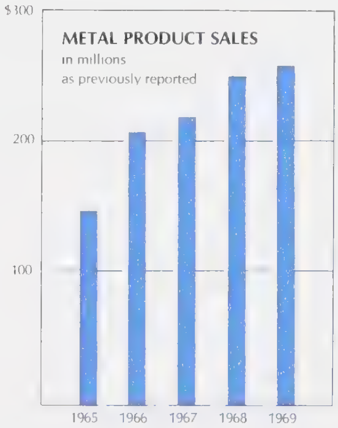
Camcar and Townsend have had outstanding success through their engineering of highly sophisticated fastener systems for specific industries. Camcar had the best year in its history. Its continued strong emphasis on proprietary fastener products paid off especially well, with demand for TORX Drive and Taptite fasteners requiring new production capacity.

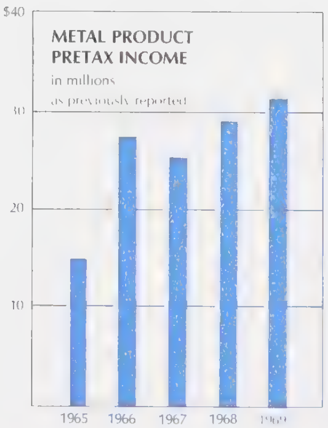
Townsend's overall results suffered from sluggishness in orders from the aircraft industry, which especially affected the Cherry Rivet unit. However, sales of non-aerospace fasteners were up seven percent, as new products for the construction, automotive and railroad equipment industries were introduced. To be able to capitalize on an expected second half of 1970 increase in demand for commercial aircraft fasteners, Townsend has accelerated its development of bimetals and exotic, high temperature alloys.

Results at Pittron in 1969 began to show the effects of that Division's transition from a volume producer of lower price castings to a high technology operation, turning out completely-engineered products. As part of this plan, $3 million has been spent on new plant facilities, including a 30-ton electric furnace with a $300,000 air pollution eliminator.

Future Potential

The Metal Product Group enters the Seventies with substantial prospects for growth, especially in equipment for reduction of manufacturing costs, and in products for the mobile home, modular house construction and automotive industries. The continued product leadership of the machine tool divisions, expanded recognition of the potential of power nailing equipment, and development of a wide variety of sophisticated fasteners provide a solid base for growth in the decade.





A Bostitch power nailer fastens metal to wood in construction of a mobile home.

NDUSTRIAL PRODUCT GROUP

- AETNA BEARING
- BURKART/RANDALL
- CAMPBELL, WYANT AND CANNON
- FAFNIR
- FANNER
- MB ELECTRONICS
- SPENCER KELLOGG
- SPRAGUE
- WALKER/PARKERSBURG

Industrial

The Industrial Group had a difficult year. There was a nationwide softness in industrial demand, a cutback in automotive orders in the fourth quarter, and a continued depressed state of residential construction. The Group contributed 16 percent of total Textron income and 21 percent of sales.

While there were one or two bright spots, most Divisions in the Group had lower margins on sales and decreased earnings. The realignment of two Divisions brought temporary increases in costs.

Several Divisions made new evaluations of their marketing direction—shifting emphasis to product lines with higher growth potential.

Demand for Cushioning Foam Increasing

Burkart/Randall, for example, moved to become a more chemically-oriented company. The Division produces both chemical foam and natural fiber cushioning. Demand for foam is rising rapidly, however, and Burkart is taking steps to meet this change. At the same time, the total cushioning market should increase substantially, spurred by such elements as requirements for automotive safety. Burkart was troubled in the spring of 1969 by strikes at a number of General Motors plants and in the fourth quarter by declining sales throughout the automotive industry.

Two new units were joined with Burkart by the end of 1969—the Randall automotive and appliance metal trim operations and the Seneca Plastics unit of Talon. The combined operation now comprises the new Burkart/Randall Division.

While maintaining its share of industrial volume on standard bearings, Fafnir Bearing in 1969 placed major emphasis on the development of new bearing types to satisfy needs in growth markets, including new precision bearings for turbine engines and other jet aircraft applications.

On February 17, 1970, the Federal Trade Commission announced its provisional acceptance of a civil consent order terminating an investigation of Textron's 1967 acquisition of The Fafnir Bearing Company. The order would require Textron to divest itself of its Aetna Bearing Company Division and would further prohibit Textron, for a period of 10 years, from acquiring manufacturers of antifriction bearings or large purchasers of precision ball bearings without the prior approval of the Commission. Unless withdrawn by the Commission, the order will become final in March 1970.

Fanner has undergone a year of product reorganization in order to concentrate on compatible lines of greatest potential. The Division expanded its production facilities, building a new plant in Alabama for manufacture of steel shot and grit for metal cleaning.

MB Electronics, for years a leader in standard vibration test equipment, now is putting special emphasis on more complex systems, such as hydraulic structural test equipment, dynamic instrumentation and pressure measurement units.

High Demand for Walker Duct Systems

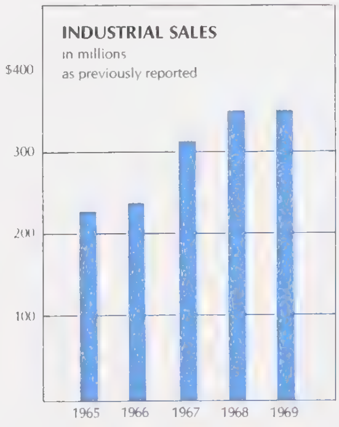
Once again Walker/Parkersburg underfloor electrical distribution systems were installed in a large number of major office buildings under construction in the United States. The Division added color to its line of above-floor service fittings, attracting increased interest from architects and decorators. A new and more attractive exterior wall design was introduced by the Walker/Parkersburg metal building division, which experienced an increase in backlog during 1969.

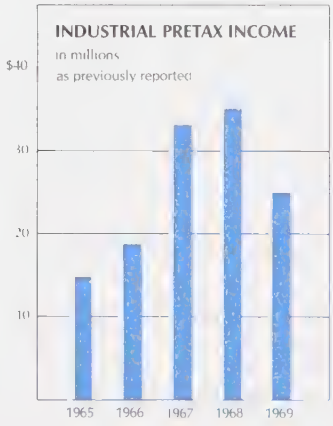
Sprague Meter continued its product innovation with introduction of a combination gas meter and regulator. Sprague in 1969 entered into production of high grade aluminum and zinc die castings through acquisition of New England Die Casting Company. The LPG Division, which produces portable liquid gas tanks, benefited from the mobile home growth.

Volume at Campbell, Wyant and Cannon Division improved during 1969 following signing of an agreement with Cummins Engine Company for production of diesel engine castings.

Improvement Prospects

For the Seventies, the Industrial Group has a solid base in a number of industries with substantial growth potential: utilities; residential, commercial and industrial construction; and automotive, including passenger car, truck and heavy industrial equipment. The improvement in profit potential now under way among Divisions of the Group should assist them in taking full advantage of the growth opportunities.





Final inspection is given to giant Fafnir bearings for the new jet engines.

Five Year Comparisons

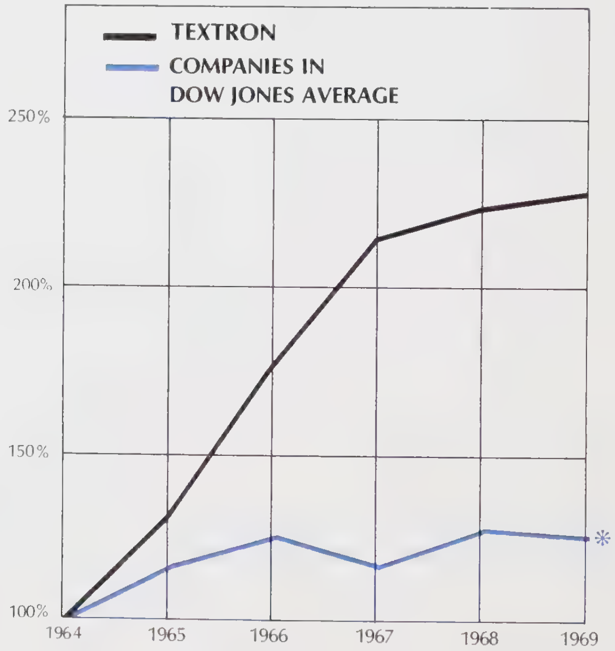
(All dollar figures in thousands except amounts per share)

	1969	1968	1967	1966	1965
Net Sales					
Historical	$ 1,682,171	$ 1,704,097	$ 1,445,985	$ 1,132,174	$ 850,957
Restated for poolings of interests	—	1,725,214	1,590,157	1,416,709	1,134,947
Income Before Federal Income Taxes					
Historical	151,672	152,900	117,136	84,713	58,889
Restated for poolings of interests	—	156,962	138,755	128,402	103,014
Net Income					
Historical	76,122	73,999	61,526	43,913	29,139
Restated for poolings of interests	—	75,989	72,938	66,290	52,063
Net Income Per Common Share*					
Historical	2.14	2.10	2.02	1.67	1.22
Restated for poolings of interests	—	2.11	2.03	1.84	1.44
Common Shares Outstanding*					
Historical	35,650,355	35,299,938	30,715,114	26,750,942	24,401,080
Restated for poolings of interests	—	36,202,815	36,143,144	36,391,775	36,515,078

* *Based on average common shares outstanding, adjusted for stock splits and assuming that all preferred shares were converted into common stock and warrants and stock options were exercised.*

Relative Growth in Earnings per Share

This graph shows the five year relative growth in earnings per share of Textron compared to the combined earnings of the 30 companies that make up the Dow Jones Industrial Average. The earnings for each year were divided by those of the initial year, 1964, to obtain the percentage growth.



*Based on first nine months' results for 1969.

textron Inc.

Consolidated Statement of Income

Years Ended January 3, 1970 and December 28, 1968

		1968	
	1969	Restated for Poolings of Interests	Historical
Net Sales	$1,682,171,000	$1,725,214,000	$1,704,097,000
Costs and expenses:			
Cost of sales	1,275,143,000	1,326,529,000	1,321,329,000
Selling and administrative expenses	244,502,000	232,835,000	221,469,000
Interest expense	10,854,000	8,888,000	8,399,000
	1,530,499,000	1,568,252,000	1,551,197,000
Income before Federal income taxes	151,672,000	156,962,000	152,900,000
Provision for Federal income taxes	75,550,000	80,973,000	78,901,000
Net income	$ 76,122,000	$ 75,989,000	$ 73,999,000
Net income per common share *	$2.14	$2.11	$2.10

* *Based on average shares outstanding during the year, assuming full conversion of preferred stock and exercise of warrants and stock options.*

See notes to financial statements.

textron Inc.

Consolidated Balance Sheet

Assets	January 3, 1970	December 28, 1968
Current assets:		
Cash	$ 23,860,000	$ 38,566,000
Marketable securities, at cost (approximately market)	1,521,000	27,985,000
Accounts receivable (less allowances of $5,778,000 and $5,483,000)	214,020,000	200,639,000
Inventories, at lower of cost or market:		
Finished goods	123,778,000	121,865,000
Work in process (less progress payments of $117,171,000 and $81,572,000)	141,473,000	141,917,000
Raw materials and supplies	64,670,000	65,537,000
	329,921,000	329,319,000
Prepaid expenses	19,729,000	20,417,000
Total current assets	589,051,000	616,926,000
Property, plant and equipment, at cost:		
Land and buildings	110,831,000	91,919,000
Machinery and equipment	362,678,000	350,297,000
	473,509,000	442,216,000
Less accumulated depreciation and amortization	240,546,000	222,389,000
	232,963,000	219,827,000
Amount paid over value assigned to net assets of companies acquired, less amortization	34,911,000	35,205,000
Patents, at cost less amortization	18,566,000	20,739,000
Other assets	19,633,000	13,582,000
	$895,124,000	$906,279,000

See notes to financial statements.

Liabilities and Shareholders' Equity

	January 3, 1970	December 28, 1968
Current liabilities:		
Notes payable	$ 5,020,000	$ 14,544,000
Accounts payable	83,659,000	80,658,000
Accrued expenses	70,820,000	69,044,000
Federal income taxes	36,710,000	42,884,000
Current maturities of long term debt	12,486,000	1,031,000
Dividends payable	—	8,745,000
Other current liabilities	56,100,000	64,824,000
Total current liabilities	264,795,000	281,730,000
Long term debt	135,238,000	145,713,000
Other liabilities	9,833,000	9,947,000
Shareholders' equity:		
Capital stock:		
$2.08 convertible preferred, Series A (Liquidation value — $153,342,000)	72,477,000	72,429,000
$1.40 convertible preferred dividend, Series B	57,117,000	57,132,000
Common	6,942,000	7,135,000
Capital surplus	32,018,000	32,055,000
Retained earnings	333,217,000	320,178,000
	501,771,000	488,929,000
Less treasury stock, at cost	16,513,000	20,040,000
Total shareholders' equity	485,258,000	468,889,000
	$895,124,000	$906,279,000

Consolidated Statement of Capital Surplus

Years Ended January 3, 1970 and December 28, 1968

	1969	1968
Balance at beginning of year (restated for poolings of interests)	$ 32,055,000	$ 28,505,000
Additions:		
Capital in excess of par or stated value of shares issued upon:		
Conversion of preferred stock	15,000	1,639,000
Exercise of warrants	965,000	1,631,000
Exercise of employees' stock options	26,000	280,000
	33,061,000	32,055,000
Deductions:		
Charges resulting from issuance of treasury shares for companies acquired	1,043,000	—
Balance at end of year	$ 32,018,000	$ 32,055,000

Consolidated Statement of Retained Earnings

Years Ended January 3, 1970 and December 28, 1968

	1969	1968
Balance at beginning of year (restated for poolings of interests)	$320,178,000	$276,260,000
Net income	76,122,000	75,989,000
	396,300,000	352,249,000
Textron dividends — $2.08 preferred stock	6,378,000	6,373,000
$1.40 preferred dividend stock ($.70 in 1968)	6,714,000	3,390,000
$1.25 preferred stock	—	19,000
Common stock ($.85 in 1969, $.75 in 1968)	23,173,000	20,078,000
Dividends of pooled companies prior to acquisition	—	2,121,000
Total dividends	36,265,000	31,981,000
Charges resulting from issuance of treasury shares for companies acquired and from exercise of stock options	26,818,000	90,000
	63,083,000	32,071,000
Balance at end of year	$333,217,000	$320,178,000

See notes to financial statements.

Statement of Changes in Shares of Capital Stock

Year Ended January 3, 1970

	Preferred Stock		
	$2.08	$1.40	Common Stock
Shares issued:			
At beginning of year	3,064,845	4,835,368	27,636,600
Conversion of preferred stock into common stock	—	(1,300)	1,170
Exercise of warrants	—	—	131,980
Exercise of stock options	2,000	—	—
At end of year	3,066,845	4,834,068	27,769,750
Treasury Shares:			
At beginning of year	—	—	731,945
Purchases	600	48,600	663,679
Issued in poolings of interests	—	—	(902,877)
Exercise of stock options	—	—	(10,354)
At end of year	600	48,600	482,393

Consolidated Statement of Changes in Working Capital

Years Ended January 3, 1970 and December 28, 1968

	1969	1968*
Source of working capital:		
Net income	$ 76,122,000	$ 75,989,000
Depreciation and other non-cash charges	38,335,000	37,855,000
Long term borrowings	—	75,000,000
Proceeds from exercise of options and warrants	1,250,000	2,982,000
Property, plant and equipment sold	8,778,000	2,738,000
	124,485,000	194,564,000
Application of working capital:		
Non-current assets of companies acquired for cash	1,589,000	64,139,000
Additions to property, plant and equipment	56,112,000	47,305,000
Dividends	36,265,000	31,981,000
Purchase of treasury stock	24,737,000	7,158,000
Reduction of long term debt	10,475,000	2,731,000
Other	6,247,000	(95,000)
	135,425,000	153,219,000
Increase (decrease) in working capital during the year	(10,940,000)	41,345,000
Working capital at beginning of year	335,196,000	293,851,000
Working capital at end of year	$324,256,000	$335,196,000

**Restated for poolings of interests*

See notes to financial statements.

Notes to Financial Statements

General

During 1969 Textron acquired Donahue Sales Corporation and Ellingsworth Mfg. Co. in exchange for an aggregate of 902,877 shares of common stock issued from the treasury. These transactions have been accounted for as poolings of interests and accordingly, operating results of these companies have been included in the consolidated statement of income for the entire year 1969 and the 1968 consolidated financial statements have been restated to include their financial position and operations.

Inventories

Cost of $253,480,000 of inventory was determined generally on a first-in, first-out or average method and the balance of $76,441,000 on a last-in, first-out method.

Depreciation

Depreciation on additions of new property is computed generally on the declining balance method and depreciation on other property additions is generally computed on the straight-line method. Depreciation expense amounted to $35,787,000 in 1969 and $33,423,000 in 1968.

Long Term Debt

Exclusive of amounts due in 1970, the debt consists of the following:

Notes payable to banks due in installments to 1975 (interest at one quarter of one percent above the prime rate)	$ 63,750,000
5⅞% Sinking Fund Debentures due May 1, 1992 (Sinking Fund payments commencing in 1973)	50,000,000
5% Subordinated Debentures due May 1, 1984 ($100,000 and proceeds received upon exercise of warrants are payable to sinking fund quarterly)	11,436,000
Other notes	10,052,000
	$135,238,000

In January, 1970 Textron Inc. filed a registration statement with the Securities and Exchange Commission for the proposed sale to the public of $50,000,000 of notes payable on February 15, 1975.

Capital Stock

Authorized capital stock consists of 15,000,000 shares of preferred stock issuable in series and 75,000,000 shares of common stock.

Each share of the $2.08 preferred stock ($23.63 approximate stated value) is convertible into 1.1 shares of common stock and is not redeemable by the Company until after December 31, 1972. On or after December 31, 1972, the stock may be redeemed at prices ranging from $55 in 1973 to $50 in 1978 and thereafter. From 1973 through 1977 the $2.08 preferred stock may not be redeemed except in its entirety and in 1978 and thereafter all or any part may be redeemed at any time. In the event of involuntary liquidation, the stock is entitled to $50 per share and accrued dividends. In the event of voluntary liquidation, each share is entitled to an amount equal to the prevailing redemption price.

Each share of $1.40 preferred dividend stock ($11.82 approximate stated value) is convertible into .9 share of common stock and is not redeemable by the Company until after December 31, 1973, at which time the redemption price will be $45 per share. After that date all or any part of the stock may be redeemed at anytime. In the event of liquidation, holders of each share of $1.40 preferred dividend stock would receive accrued dividends and thereafter share rateably on a converted basis with holders of common stock, subject to prior rights of the $2.08 preferred stock.

Shares of common stock reserved were as follows:

$2.08 Cumulative Convertible Preferred Stock, Series A	3,373,530
$1.40 Convertible Preferred Dividend Stock, Series B (preferred only as to dividends)	4,350,662
Warrants (exercisable at $8.75 per share until May 1, 1974, with $1.25 price increases each five years thereafter until expiration in 1984)	368,030
Options granted to employees	300,027
	8,392,249

Stock Options

At the 1969 Annual Meeting, Textron stockholders approved a Stock Option Plan under which options for a maximum of 1,000,000 shares of common stock may be issued at prices not less than the fair market value at the date of grant. Options become exercisable with respect to approximately one-third of the total in each year after the second, third and fourth year from the date of grant and each option expires five years from that date. During 1969 options for 266,400 shares at prices ranging from $24.25 to $31.75 or an aggregate of $6,746,200 were granted and remain outstanding at January 3, 1970.

Upon acquisition of certain companies Textron substituted options on shares of its stock for the outstanding options of the acquired companies. Options for 12,354 shares of common stock at prices ranging from $13.14 to $36.25, 9,357 shares of $2.08 preferred stock, at prices ranging from $36.64 to $38.27, and 12,000 shares of $1.40 preferred dividend stock at $31.19 per share, were outstanding at January 3, 1970. At that date options for 9,474 shares of common stock, 9,357 shares of $2.08 preferred stock and 12,000 shares of $1.40 preferred dividend stock were exercisable.

Pensions

The Company and its consolidated subsidiaries have several pension plans covering 86% of their employees. The total pension expense charged to consolidated income for the year was approximately $17,000,000 which includes amortization of unfunded prior service cost over periods ranging from 10 to 30 years. The Company's policy is to fund pension costs accrued.

Leases

Annual rentals payable under long term leases on property, plant and equipment are approximately $5,400,000. The aggregate rentals payable under these leases, discounted to January 3, 1970, are approximately $30,000,000. Under certain leases Textron is also required to pay insurance, taxes and repairs.

Auditors' Report

ARTHUR YOUNG & COMPANY

277 PARK AVENUE
NEW YORK, N.Y. 10017

The Board of Directors and Shareholders
Textron Inc.

We have examined the accompanying consolidated balance sheet of Textron Inc. at January 3, 1970 and the related consolidated statements of income, retained earnings, capital surplus, changes in shares of capital stock and changes in working capital for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the statements mentioned above present fairly the consolidated financial position of Textron Inc. at January 3, 1970 and the consolidated results of operations and changes in working capital for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year as restated.

February 11, 1970

Arthur Young & Company

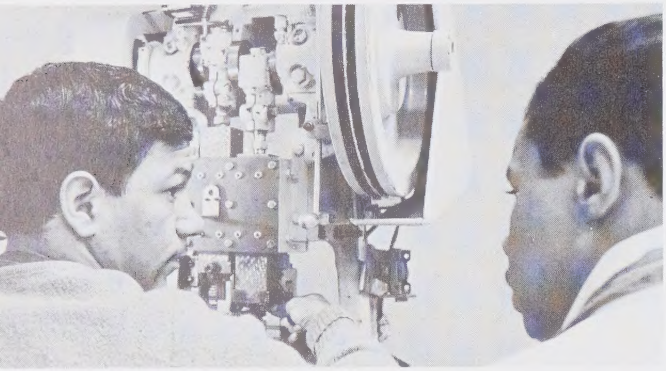
Transfer Agents

Common Stock

Rhode Island Hospital Trust National Bank, Providence, Rhode Island
Morgan Guaranty Trust Company of New York, New York City
Bank of America National Trust and Savings Association, Los Angeles, California

Convertible Preferred Stock

$2.08 Cumulative Convertible Preferred Stock, Series A
$1.40 Convertible Preferred Dividend Stock, Series B (preferred only as to dividends)
Rhode Island Hospital Trust National Bank, Providence, Rhode Island
Morgan Guaranty Trust Company of New York, New York City



(Photos 1 and 2) At Bell Helicopter, candidates from the ranks of the unemployed have been trained as semi-skilled workers as part of Bell's participation in the "JOBS" program of the National Alliance of Businessmen. (Photos 3 and 4) Speidel's Industrial Training Center recruits disadvantaged individuals from the Providence area and trains them in specific skills for jobs in the main plant a mile away. (Photo 5) A group of Czechoslovakian refugees are receiving instruction in machine operation and in the English language at Waterbury Farrel.

• Training for the Seventies

New job training programs aimed at instruction of minority group members and the hard core unemployed, as well as keeping present employees informed of the latest technological developments, are under way at a number of Textron Divisions. They are part of Textron's effort to provide the trained and dedicated people necessary for the challenge of the Seventies.

A number of formal programs, some partially funded by the Federal Government, have been set up by Textron companies. These programs vary from the operation of a training center in an urban ghetto to the teaching of manufacturing skills to residents of a depressed rural area. In more informal programs, other Textron Divisions are working with local Opportunities Industrialization Centers and manpower agencies to provide job situations for the disadvantaged.

In addition, as a participant in the National Alliance of Businessmen program, Textron has, through its companies, hired hundreds of hard core unemployed and provided summer jobs for youth at its facilities throughout the country.

Almost all Textron Divisions have either in-plant or institutional training programs for the upgrading of skills of present employees. These range from supervisory development seminars at local universities to on-the-job apprentice programs for machine tool operators.

In addition to Textron's company-wide management development program, many Divisions offer formal management courses in order to assure an ample supply of managerial talent for the future. One Division has a number of employees studying for advanced degrees within the plant via a TV network system established with other companies in the area and broadcast and taught from a local university classroom.

This wide range of training programs helps provide Textron with the managerial and on-line skills needed to keep abreast of new technological and manufacturing developments.

textron Companies and Products

Aerospace Product Group

Accessory Products
Valves, pressure regulators, fluid controls, fire suppression systems.

Fuel Engineering — Autoclaves, hydroclaves, heat exchange equipment.

Bell Aerospace
Rocket engines, missile and spacecraft propulsion systems, positive expulsion rocket fuel tanks, vertical lift aircraft, air cushion vehicles, automatic aircraft landing systems, inertial systems, fire control and target location systems, surface effect ships.

Bell Helicopter
Military and commercial helicopters and vertical lift aircraft, systems integration (target detection, weapons, navigation, agricultural and other commercial), aeronautical and electronic research.

Dalmo Victor
Electronic warfare systems, aerospace antennas, electro-optics, automatic test equipment.

Oregon Technical Products — Rail and transit products, meteorological instruments, electro-mechanical aircraft accessories.

Electronic Research
Quartz crystals, time and frequency standards, crystal and LC filters, precision temperature controls, digital temperature thermometers.

Hydraulic Research and Manufacturing
Electro-hydraulic valves and servo control systems, hydraulic-pneumatic control systems, high performance filters.

Ledeen — Automated controls for fluid, gas processing and transmission systems.

Spectrolab/Heliotek
Electro-optics, solar cells, optical thin films, space power arrays, solar simulators, high intensity searchlights, astronautical instruments.

Consumer Product Group

Donahue Sales
National distributor of home sewing products.

Eaton Paper
Social stationery, desk and photo accessories, At-A-Glance personal record and appointment books, Berkshire typewriter paper.

Camp — Packaged stationery, student and office paper supplies.

Ellingsworth — Duo-Tang paper folders.

Gorham
Sterling silver and stainless steel flatware, sterling and silverplated holloware, decorative accessories and special giftwares, fine crystal, bronze memorial markers.

Homelite
Chain saws, pumps, generators, power lawn mowers.

E-Z-Go — Golf cars, in-plant vehicles.

Terry Industries (Canada) — Chain saws, pumps, generators, portable space heaters.

Patterson-Sargent
BPS, Vita-Var and Allied paints and varnishes.

Polaris
Snowmobiles and snowmobile accessories.

Sheaffer Pen
Writing instruments, Skrip writing fluid.

Maico — Electronic hearing aids, audiometers.

Shuron/Continental
Eyeglass frames, lenses, optical machinery.

Speidel
Twist-O-Flex watchbands, identification bracelets, jewelry chain, British Sterling and Bravura men's toiletries.

Talon
Metal and filament zippers, metal buttons, hooks and eyes, snap fasteners, threads, tapes, lace and other sewing accessories, precision die castings, and powdered metal electrical contacts.

Industrial Product Group

Aetna Bearing
Ball and roller bearings.

Burkart/Randall
Burkart polyurethane foam, natural and synthetic fiber cushioning materials; Randall automobile and appliance trim, automobile door frames, body parts, automotive tubular products; Seneca molded plastic products.

Campbell, Wyant and Cannon
Grey, alloyed and ductile iron castings for engine blocks, cylinder heads, camshafts, gears, manifolds, housings and other parts.

Fafnir
Precision ball, roller and sliding bearings for industrial, aerospace, off-the-road and farm equipment fields and the replacement market.

Fanner
Chaplets and chills used in casting, electrical line products, metal abrasives, hand tools, special forgings, malleable iron hardware, plastic products, abrasive wheels.

MB Electronics
Environmental test systems, dynamic instrumentation, structural test systems and pressure measurement.

Spencer Kellogg
Chemical products, linseed oil and other oilseed and corn milling products.

Sprague
Gas meters and regulators, liquid gas containers and fittings, service fittings for utilities, die castings, marine fittings.

Walker/Parkersburg
Underfloor electrical distribution systems, pre-engineered metal buildings.

Metal Product Group

Bostitch
Office, home and industrial staplers and staples, pneumatic nailers and staplers, wire stitchers, corrugated container finishing equipment.

Hall-Mack — Bathroom accessories.

Bridgeport Machines
Milling machines, attachments and accessories, hydraulic and optical duplicating milling machines.

Camcar
Raycarl cold headed metal parts, proprietary and special fasteners for aerospace, automotive and appliance industries.

Pittron
Tandem and single stand heavy duty rolling mills and auxiliary equipment, aluminum and steel foil mills, metallurgical furnaces, steel castings.

Townsend
Special fasteners for aerospace, automotive, appliance and construction industries, fastening tools, automatic fastening machines, and cold formed special parts.

True-Trace
Tracer attachments and systems for machine tools, automated programmed tracer systems, machine tool controls.

Waterbury Farrel
Waterbury cold heading machines, Sendzimir and other rolling mills, presses, Cleveland hobbing machines.

Jones & Lamson — Numerical control, automatic and other turret lathes, cylindrical and thread grinders, optical comparators.

Precision Methods and Machines — Rolling mill components, precision machining.

Thompson Grinder — Precision surface grinders.